#### SUBCHAPTER D: ADMINISTRATIVE PROVISIONS

§§117.510-117.570 Effective May 22, 1997

### §117.510. Compliance Schedule For Utility Electric Generation.

All persons affected by the provisions of §§117.101, 117.103, 117.105, 117.107, 117.109, 117.111, 117.113, 117.115, 117.117, 117.119, and 117.121 of this title (relating to Utility Electric Generation) shall be in compliance as soon as practicable, but no later than May 31, 1999 (final compliance date). Additionally, all affected persons shall meet the following compliance schedules and submit written notification to the Executive Director:

- (1) no later than April 1, 1994, submit a plan for compliance in accordance with §117.109 of this title (relating to Initial Control Plan Procedures);
- (2) conduct applicable continuous emissions monitoring system (CEMS) or predictive emissions monitoring systems (PEMS) evaluations and quality assurance procedures as specified in §117.113 of this title (relating to Continuous Demonstration of Compliance) according to the following schedules:
- (A) For equipment and software required pursuant to 40 Code of Federal Regulations (CFR) 75, no later than January 1, 1995 for units firing coal, and no later than July 1, 1995 for units firing natural gas or oil; and
- (B) for equipment and software not required pursuant to 40 CFR 75, no later than May 31, 1999.
- (3) install all nitrogen oxides (NO<sub>x</sub>) abatement equipment, implement all NO<sub>x</sub> control techniques, and submit the results of the CEMS or PEMS performance evaluation and quality assurance procedures to the Texas Natural Resource Conservation Commission no later than May 31, 1999;
- (4) for units operating without CEMS or PEMS, conduct applicable tests for initial demonstration of compliance as specified in §117.111 of this title (relating to Initial Demonstration of Compliance); and submit the results by April 1, 1994, or as early as practicable, but in no case later than May 31, 1999:
- (5) for units operating with CEMS or PEMS and complying with the  $NO_x$  emission limit on a rolling 30-day average, conduct the applicable tests for the initial demonstration of compliance as specified in \$117.111 of this title and submit the results of the applicable CEMS or PEMS performance evaluation and quality assurance procedures as specified in \$117.113 of this title no later than July 31, 1999;
- (6) for units operating with CEMS or PEMS and complying with the NO<sub>x</sub> emission limit in pounds per hour on a block one-hour average, conduct the applicable tests for the initial demonstration of compliance as specified in §117.111 of this title and submit the results of the applicable CEMS or PEMS performance evaluation and quality assurance procedures as specified in §117.113 of this title by May 31, 1999;

- (7) conduct applicable tests for initial demonstration of compliance with the  $NO_x$  emission limit for fuel oil firing, in accordance with \$117.111(d)(2)\$ of this title, and submit test results within 60 days after completion of such testing; and
- (8) no later than May 31, 1999, submit a final control plan for compliance in accordance with §117.115 of this title (relating to Final Control Plan Procedures).

Adopted 01/10/96 Effective 02/01/96

# §117.520. Compliance Schedule For Commercial, Institutional, and Industrial Combustion Sources.

All persons affected by the provisions of §§117.201, 117.203, 117.205, 117.207-117.209, 117.211, 117.213, 117.215, 117.217, 117.219, 117.221, and 117.223 of this title (relating to Commercial, Institutional, and Industrial Sources) shall be in compliance as soon as practicable, but no later than May 31, 1999 (final compliance date). All affected persons shall meet the following compliance schedules and submit written notification to the Executive Director:

- (1) submit a plan for compliance in accordance with §117.209 of this title (relating to Initial Control Plan Procedures) according to the following schedule:
- (A) for major sources of nitrogen oxides (NO<sub>x</sub>) which have units subject to emission specifications under this chapter, submit an initial control plan for all such units no later than April 1, 1994;
- (B) for major sources of  $NO_x$  which have no units subject to emission specifications under this chapter, submit an initial control plan for all such units no later than September 1, 1994; and
- (C) for major sources of  $NO_x$  subject to either subparagraphs (A) or (B) of this paragraph, submit the information required by \$117.209(c)(6), (7), and (9) of this title no later than September 1, 1994.
- (2) install all  $NO_x$  abatement equipment and implement all  $NO_x$  control techniques no later than May 31, 1999;
- (3) for units operating without continuous emissions monitoring system (CEMS) or predictive emissions monitoring systems (PEMS), conduct applicable tests for initial demonstration of compliance as specified in §117.211 of this title (relating to Initial Demonstration of Compliance); and submit the results by April 1, 1994, or as early as practicable, but in no case later than May 31, 1999;
- (4) for units operating with CEMS or PEMS and complying with the  $NO_x$  emission limit on a rolling 30-day average, conduct the applicable tests for the initial demonstration of compliance as specified in \$117.211 of this title and submit the results of the applicable CEMS or PEMS performance evaluation and quality assurance procedures as specified in \$117.213 of this title (relating to Continuous Demonstration of Compliance) no later than July 31, 1999;
  - (5) for units operating with CEMS or PEMS and complying with the NO<sub>x</sub> emission limit in

pounds per hour on a block one-hour average, conduct the applicable tests for the initial demonstration of compliance as specified in §117.211 of this title and submit the results of the applicable CEMS or PEMS performance evaluation and quality assurance procedures as specified in §117.213 of this title by May 31, 1999; and

(6) no later than May 31, 1999, submit a final control plan for compliance in accordance with §117.215 of this title (relating to Final Control Plan Procedures).

Adopted 01/10/96 Effective 02/01/96

## §117.530. Compliance Schedule For Nitric Acid and Adipic Acid Manufacturing Sources.

All persons affected by the provisions of §§117.301, 117.305, 117.309, 117.311, 117.319, and 117.321 of this title (relating to Adipic Acid Manufacturing) or the provisions of §§117.401, 117.405, 117.409, 117.411, 117.413, 117.419, and 117.421 of this title (relating to Nitric Acid Manufacturing - Ozone Nonattainment Areas) shall be in compliance as soon as practicable, but no later than May 31, 1999 (final compliance date). All affected persons shall meet the following compliance schedules and submit written notification to the Executive Director:

- (1) no later than April 1, 1994, submit a control plan for compliance as specified in §117.309 of this title (relating to Control Plan Procedures) and §117.409 of this title (relating to Control Plan Procedures);
- (2) conduct applicable continuous emissions monitoring system (CEMS) or predictive emissions monitoring systems (PEMS) performance evaluation and quality assurance procedures as specified in §117.313 of this title (relating to Continuous Demonstration of Compliance) and §117.413 of this title (relating to Continuous Demonstration of Compliance); provide previous testing documentation for any claimed test waiver as allowed by §117.311(d) of this title (relating to Initial Demonstration of Compliance) or §117.411(d) of this title (relating to Initial Demonstration of Compliance); and conduct applicable initial demonstration of compliance testing as specified in §117.311 and §117.411 of this title, by:
- (A) no later than January 1, 1994, for affected facilities not performing process modification or installation of a CEMS or PEMS device as part of the control plan specified in §117.309 and §117.409 of this title; and
- (B) no later than May 31, 1999, for affected facilities performing process modification or installation of a CEMS or PEMS device as part of the control plan specified in §117.309 and §117.409 of this title.
- (3) within 60 days after the applicable date specified in paragraph (2)(A) or (B) of this section, submit the results of CEMS or PEMS performance evaluation and quality assurance procedures and the results of initial demonstration of compliance testing specified in paragraph (2) of this section.

Adopted 01/10/96 Effective 02/01/96

§117.540. Phased Reasonably Available Control Technology (RACT).

- (a) The owner or operator affected by the provisions of this chapter (relating to Control of Air Pollution from Nitrogen Compounds) who determines that compliance by May 31, 1999 is not practicable may submit a petition for phased RACT. The process for submitting a petition and receiving approval shall be based on the following:
- (1) The petition shall be submitted by October 1, 1998, or as soon as possible after such date upon a demonstration by the owner or operator that the petition was not submitted by October 1, 1998 due to unforeseen circumstances.
- (2) The owner or operator of the affected unit or units shall submit information in the petition to the Texas Natural Resource Conservation Commission (commission) and a copy to the United States Environmental Protection Agency (EPA) Regional Office in Dallas which will demonstrate all of the following:
- (A) compliance by May 31, 1999 is impracticable due to the unavailability of nitrogen oxides (NO<sub>x</sub>) abatement equipment, engineering services, or construction labor; system unreliability; manufacturing unreliability; equipment unreliability; or other technological and economic factors as the commission determines are appropriate;
- (B) there is a proposed stage-by-stage program for compliance and clearly specified compliance milestones for each unit;
- (C) there is a commitment to implement the portion of the phased RACT petition that can be implemented by May 31, 1999; and
- (D) the final compliance date specified in the petition shall be as soon as practicable, but in no case later than August 31, 2000, except as approved by the executive director.
- (3) Each petition for phased RACT shall contain the information required by at least one of the following criteria.
- (A) If compliance by May 31, 1999 is impracticable due to the unavailability of  $NO_x$  abatement equipment, engineering services, or construction labor, the following information shall be included in the petition for phased RACT:
- (i) a list of the company names, addresses, and telephone numbers of vendors who are qualified to provide the services and equipment capable of meeting the applicable emission limitation under this chapter and who have been contacted to obtain the required services and equipment. A copy of the request for bids along with the dates of contact shall also be provided to show a good-faith effort to obtain the required services and equipment necessary to meet the requirements of this chapter by May 31, 1999; and
- (ii) copies of responses from each of the vendors listed in clause (i) of this subparagraph showing that they cannot provide the necessary services and install the appropriate equipment in time for the unit to comply by May 31, 1999. Such responses shall include the reasons why the services cannot be provided and why the equipment cannot be installed in a timely manner.

- (iii) if work on the project will be provided by the owner or operator, the petition for phased RACT shall include documentation that the necessary  $NO_x$  abatement equipment, engineering services, or construction labor could not be obtained in a timely manner from either in-house or external sources, as well as a detailed design or installation schedule for the required services or equipment to be provided by the owner or operator.
- (B) If compliance by May 31, 1999 is impracticable due to system unreliability for sources in the utility industry, defined as the inability or threatened inability of a utility grid system to fulfill obligations to supply electric power, the following information shall be included in the petition for phased RACT:
- (i) standard load forecasts, based on standard forecasting models available throughout the utility industry, applied to the period May 31, 1997 May 30, 1999;
- (ii) outage schedule for all units in the utility grid to which the subject unit belongs; and
- (iii) specific reasons why an outage for the purpose of installing  $NO_x$  emission control equipment cannot be scheduled by May 31, 1999.
- (C) If compliance by May 31, 1999 is impracticable due to manufacturing unreliability, defined as the inability or threatened inability of a source to fulfill contractual obligations to supply a product or products, the following information shall be included in the petition for phased RACT:
- (i) certification by an authorized official of the company showing manufacturing obligations for which the company is contractually obligated. Manufacturing obligation information shall include copies of contracts signed by an authorized official of the company or similar documentation and shall exclude commercially sensitive information;
- (ii) historical and planned outage schedules for all units whose manufacturing capacity would be affected by the outage of the affected unit; and
- (iii) specific reasons why an outage for the purpose of installing  $NO_x$  emission control equipment cannot be scheduled by May 31, 1999.
- (D) If compliance by May 31, 1999 is impracticable due to equipment unreliability, defined as the reduced availability and operating reliability of a unit resulting from the operation of  $NO_x$  control equipment on that unit, the following information shall be included in the petition for phased RACT:
- (i) specific reasons why the new  $NO_x$  control equipment will reduce the current reliability of the operating unit;
- (ii) historical availability and forced outage data expressed as annual percentages and the differences in each expected with the new  $NO_x$  control equipment. Availability is defined as the sum of hours the equipment is in service plus the hours the equipment is not in service, but available for service, divided by the number of hours in the reporting period. A forced outage is defined as down time

which occurs as a result of a trip, emergency shutdown, or unplanned maintenance;

- (iii) most recent operating history available from the vendor for the new  $NO_x$  control equipment, including actual test operating hours, actual load during testing, and specific problems that resulted in lost availability; and
- (iv) reasons why the  $NO_x$  control technology is not considered proven including vendor test and commercial operating data, if available from the vendor.
- (E) If compliance by May 31, 1999 is impracticable due to other technical factors, the petition for phased RACT shall contain such documentation as the executive director establishes is appropriate for such technical factors.
- (F) If compliance by May 31, 1999 is unreasonable due to economic considerations, excluding the time value of money, the petition for phased RACT shall contain the following information showing comparisons of the cost of compliance by May 31, 1999 and the cost of compliance by the final compliance date specified in the petition:
- (i) the costs of additional outages, if applicable, necessitated by compliance with the emission specifications of this chapter by May 31, 1999, as demonstrated by comparison to costs of actual historical and planned outages;
- (ii) comparisons of the cost of obtaining the NO<sub>x</sub> abatement equipment, engineering services, or construction labor necessary to comply by May 31, 1999, and the cost of obtaining the NO<sub>x</sub> abatement equipment, engineering services, or construction labor by the final compliance date specified in the petition. Copies of legally binding contracts, signed by an authorized official of the company, shall be submitted to document these costs. If the required NO<sub>x</sub> abatement equipment, engineering services, or construction labor will be provided by the owner or operator, as provided for in paragraph (4) of this subsection, certification by an authorized official of the company may be submitted in lieu of contracts to document these costs; or
- (iii) other economic factors, documented as the Executive Director establishes is appropriate for such economic factors.
- (4) All petitions for phased RACT shall include copies of legally binding contracts with the primary vendors for each project, signed by an authorized official of the company, showing a detailed design or installation schedule for the required services or equipment to be provided by that vendor, with a completion date no later than August 31, 2000, except as approved by the executive director. Any commercially sensitive financial information or trade secrets should be excised from the contracts.
- (5) Within 30 days of receiving a petition for phased RACT, the Executive Director shall inform the applicant in writing that the petition is complete or that additional information is required. If the petition is deficient, the notification shall state any additional information required. The requested information correcting the deficiency shall be received by the Executive Director within 30 days of the date of the letter notifying the applicant of the deficiency.

- (6) The executive director shall approve or deny the petition within 90 days of receiving an administratively complete phased RACT petition. The executive director shall approve a petition for phased RACT if the executive director determines that compliance is not practicable by May 31, 1999, because of either the unavailability of nitrogen oxides abatement equipment, engineering services, or construction labor; system unreliability; manufacturing unreliability; equipment unreliability; or other technological and economic factors as the executive director determines are appropriate.
- (7) Any person affected by the executive director's decision to deny a petition for phased RACT or to deny a revision to an approved phased RACT petition may file a motion for reconsideration. Notwithstanding the applicability provisions of §50.31(c)(7) of this title (relating to Purpose and Applicability), the requirements of §50.39 of this title (relating to Motion for Reconsideration) apply. However, only a person affected may file a motion for reconsideration. Approved petitions for phased RACT may be revised by the executive director upon a showing of just cause by the applicant.
- (8) Approval of a phased RACT schedule by the TNRCC does not waive any applicable federal requirements or eliminate the need for approval by EPA.
- (9) The holder of an approved phased RACT determination shall comply with each specified compliance milestone and each date for compliance provided in the approved petition, as well as any other condition established in the approval.
- (b) The executive director may approve the use of a mobile source emission reduction credit (MERC), created from vehicle scrappage, to achieve NO<sub>x</sub> emissions reductions equivalent to those required by this chapter, on an interim basis from May 31, 1999 to the date of final compliance, for a period not to exceed 36 months. Any plan involving the use of a MERC may be approved if the executive director determines that it conforms to the provisions of §117.570 of this title (relating to Trading) and §114.29 of this title (relating to Accelerated Vehicle Retirement Program). Executive director approval does not necessarily constitute satisfaction of all federal requirements, nor eliminate the need for approval by EPA.
- (c) The executive director may approve the use of a MERC, created from clean-fuel vehicles, to achieve NO<sub>x</sub> emissions reductions equivalent to those required by this chapter, on an interim basis from May 31, 1999 to the date of final compliance, for a period not to exceed that specified in §114.39 of this title (relating to MERC Program). Any plan involving the use of a MERC may be approved if the executive director determines that it conforms to the provisions of §117.570 of this title (relating to Trading) and §114.39 of this title. Executive director approval does not necessarily constitute satisfaction of all federal requirements, nor eliminate the need for approval by EPA.

Adopted 07/24/96 Effective 08/16/96

#### §117.560. Rescission.

If, after reviewing the results of the Urban Airshed Model for a nonattainment area, the Texas Natural Resource Conservation Commission (TNRCC) determines after conducting public hearings that the additional reductions of nitrogen oxides ( $NO_x$ ) in the nonattainment area would not contribute to attainment of the National Ambient Air Quality Standards for ozone in that nonattainment area, then the TNRCC shall have the Executive Director submit such findings and results to the United States Environmental Protection

Agency (EPA) Administrator for a determination under the 1990 Federal Clean Air Act Amendments  $\S182(f)$ . If the EPA Administrator approves the TNRCC's finding, then the requirements of this chapter shall be reproposed in rulemaking to address the findings of the Administrator as to the applicable  $NO_x$  requirements.

Adopted 05/25/94 Effective 06/23/94

# §117.570. Trading.

- (a) An owner or operator may reduce the amount of emission reductions otherwise required by §117.105 or §117.205 of this title (relating to Emission Specifications), §117.107 of this title (relating to Alternative System-Wide Emission Specifications), §117.207 of this title (relating to Alternative Plant-Wide Emission Specifications), or §117.223 of this title (relating to Source Cap) by obtaining an emission reduction credit which is established in accordance with this section.
- (b) The following requirements must be met in order for a particular unit to be eligible to use this section:
- (1) The unit or source creating the reduction credit (RC) must be located in the same federally designated ozone nonattainment area as the unit subject to the requirements of this section;
  - (2) RCs must be generated from a stationary source or sources; and
- (3) The emission reduction which is the basis for establishment of the RC must have occurred after November 15, 1990.
  - (c) Reduction credits shall be generated as follows:
- (1) For sources not subject to the emission specifications of §117.105 or §117.205 of this title, creditable RCs shall be established in accordance with the following requirements:
- (A) RCs shall be calculated in accordance with the establishment of stationary source emission reduction credits (ERCs) under §101.29(f) of this title (relating to Emissions Banking); and
- (B) The source shall use emissions test data to establish the actual emissions baseline in accordance with the testing requirements of §117.209(b) of this title (relating to Initial Control Plan Procedures), or §117.111 or §117.211 of this title (relating to Initial Demonstration of Compliance), as applicable. The actual emissions baseline is defined as the actual annual emissions, in tons per year, from a source determined by use of data representative of actual operations in 1990 or later, assuming full compliance with all applicable state and federal rules and regulations. If the source creating the RC has been shut down or irreversibly changed, the source shall use the best available data and good engineering practice to establish the actual emissions baseline.
- (2) For sources subject to the emission specifications of §117.105 or §117.205 of this title, creditable RCs shall be calculated using the following equation:

$$\frac{\text{RCs (tons}}{\text{per year}} = \sum_{j=1}^{N} \left[ H_j \times (R_{Aj} - R_{Bj}) \times \frac{365}{2000} \right]$$

Where:

j = each emission unit subject to this section generating RCs

N = the total number of emission units subject to this section generating RCs

 $H_j$  = actual daily heat input, in million British thermal units (MMBtu) per day, as calculated according to \$117.223(b)(1) of this title

the lowest of any applicable federally enforceable emission limitation, the reasonably available control technology (RACT) limit of  $\S117.105$  or  $\S117.205(b)$ -(d) of this title, or the actual emission rate as of June 9, 1993, in pound (lb)/MMBtu, that apply to emission unit j in the absence of trading. For units that have been shut down prior to June 9, 1993, the actual emission rate shall be considered to be the average annual emission rate occurring over the period used to define the unit's baseline heat input period in  $\S117.223(g)(3)$  of this title.

 $R_{Bj}$  = The enforceable emission rate, in lb/MMBtu, for unit j established in the registration under subsection (g) of this section.

- (3) RCs from shutdown units may be generated only by units participating in a source cap in accordance with §117.223 of this title.
  - (d) Reduction credits shall be used as follows:
- (1) An owner or operator complying with §117.223 of this title may reduce the amount of emission reductions otherwise required by complying with both of the following equations instead of the equations in §117.223(b)(1) and (2) of this title.

New 30-day rolling average emission limit = 
$$\sum_{i=1}^{N} \left[ (H_i \times R_i) + \left( RC_i \times \frac{2000}{365} \right) \right]$$

Where:

i = each emission unit in the source cap

N = the total number of emission units in the source cap

 $H_i$  = actual daily heat input, in MMBtu per day, as calculated according to \$117.223(b)(1) of this title

 $RC_i$  = RC used for each unit, in tons per year, generated in accordance with subsection (c) of this section. If  $RC_i$  is from a unit not subject to the emission specifications of §117.105 or §117.205 of this title, this term becomes  $Rc_i/F$ , where F is the offset ratio for the ozone nonattainment area where the unit is located (e.g. 1.2 for Beaumont/Port Arthur and 1.3 for Houston/Galveston).

and

New maximum daily emission limit (lb/day) = 
$$\sum_{i=1}^{N} \left[ (H_{Mi} \times R_i) + \left( RC_i \times \frac{2000}{365} \right) \right]$$

Where:

*i* and *N* are defined as in the first equation in this paragraph

 $R_i$ , in lb/MMBtu, is defined as in §117.223(b)(1) of this title

 $H_{mi}$  = the maximum daily heat input, in MMBtu/day, as defined in §117.223(b)(2) of this title.

(2) An owner or operator complying with §117.105, §117.107, §117.205, or §117.207 of this title may reduce the amount of emission reduction otherwise required by those sections for a unit or units at a major source by complying with individual unit emission limits calculated from the following equation:

New emission limit for unit i (lb/MMBtu) = 
$$R_{Ai} + \left(\frac{RC_i}{H_{Mi}} \times \frac{2000}{365}\right)$$

Where:

*i* = each emission unit subject to this section

N = the total number of emission units subject to this section

the lowest of any applicable federally enforceable emission limitation, the RACT limit of \$117.105 or \$117.205(b)-(d) of this title, or the actual emission rate as of June 9, 1993, in lb/MMBtu, that apply to emission unit i in the absence of trading. For units that have been shut down prior to June 9, 1993, the actual emission rate shall be considered to be the average annual emission rate occurring over the period used to define the unit's baseline heat input period in \$117.223(g)(3) of this title.

and

 $H_{mi}$  and  $RC_i$  are defined as in paragraph (1) of this subsection.

The appropriate compliance averaging period specified in \$117.105, \$117.107, \$117.205, or \$117.207 of this title shall be assigned to unit *i* using a RC in accordance with the provisions of this paragraph.

- (3) RCs from shutdown units may be used only by units participating in a source cap in accordance with §117.223 of this title.
- (e) RCs may be freely transferred in whole or in part and may be sold or conveyed in any manner in accordance with the laws of the State of Texas. The RC may be sold outright or leased for some time period agreed to by the parties subject to subsection (g) of this section, but not less than six months. Any owner or operator shall document the use of a leased RC in the final control plan in accordance with §117.115 or §117.215 of this title (relating to Final Control Plan Procedures), or in the revised final control plan in accordance with §117.117 or §117.217 of this title (relating to Revision of Final Control Plan), identifying the lessee and lessor, the amount of RCs leased, and the conditions of the lease. Approved RCs must be acquired by a source prior to their utilization under subsection (d) of this section.
- (f) Any lower NO<sub>x</sub> emission specification established by rule or permit for the unit or units generating the RC shall require the user of the RC to obtain an approved new reduction credit or otherwise reduce emissions prior to the effective date of such rule or permit change. For units using a RC in accordance with this section which are subject to new, more stringent rule or permit limitations, the owner or operator using the RC shall submit a revised final control plan to the Executive Director of the TNRCC in accordance with §117.117 or §117.217 of this title (relating to Revision of Final Control Plan) to revise the basis for compliance with the emission specifications of this chapter. The owner or operator using the RC shall submit the revised final control plan as soon as practicable, but no later than 90 days prior to the effective date of the new, more stringent rule or permit limitations. In addition, the owner or operator of a unit generating the RC shall submit a revised registration application to the Executive Director, in accordance with subsection (g)(1) of this section, within 90 days prior to the effective date of any new, more stringent rule or permit limitations affecting that unit. If a more stringent NO<sub>x</sub> emission specification is established by rule or permit for the unit or units generating the RC, the value of the RC shall be recalculated as follows:

Recalculated RC (tons per year) = 
$$\sum_{j=1}^{N} \left[ H_j \times (R_{Bj} - R_{Aj-new}) \times \frac{365}{2000} \right]$$

Where:

 $j, N, H_j$  and  $R_{Bj}$  are defined as in subsection (c)(2) of this section

 $R_{ai-new}$  = the new NO<sub>x</sub> emission specification for unit j, in lb/MMBtu

If the recalculated RC is of zero or negative value, the RC is determined to be of zero value.

- (g) The RC program established by this section shall be administered as follows:
- (1) The owner or operator of a source seeking to create or revise a RC shall submit a registration application to the Executive Director using the RC registration form approved by the Executive Director. The Executive Director shall annotate the RC registration application with the date of receipt. The RC registration shall include information sufficient to calculate the RC value under subsection (c) of this section. The Executive Director shall perform an engineering evaluation of the claimed credit and may adjust the value of the RC on the basis of this evaluation. The application must clearly state the enforceable limits for each unit generating a credit. For emission units subject to the emission specifications of this chapter, which generate RCs, and for which the owner or operator elects to comply with the individual emission specifications of  $\S117.105$ ,  $\S117.107$ ,  $\S117.205$ , or  $\S117.207$  of this chapter, the enforceable emission limit  $R_{Bj}$  shall be calculated using the maximum rated capacity. For emission units subject to the emission specifications of this chapter, which generate RCs, and for which the owner or operator elects to achieve compliance using  $\S117.223$  of this title, the enforceable emission limit  $R_{Bj}$  shall be substituted for  $R_i$  in the source cap allowable mass emission rate equations of  $\S117.223$ (b)(1) and (2) of this title and those allowable rates shall be the enforceable limits for those sources.
- (2) Registration applications must be received at least 90 days prior to the planned utilization of the RC. RCs may be utilized only after the Executive Director grants approval of the registration application.
- (3) The Executive Director shall have 30 days from date of receipt to determine if the registration application is complete.
- (4) The Executive Director shall have 90 days from date of receipt to approve, modify, or deny the registration or 60 days after determination of completeness, whichever is later.
- (5) The Executive Director may revoke approval of a registration under this section at any time upon a determination that the requirements of this section are not being met, and may require submittal of a revised control plan for the generator or user of a RC upon such a finding. The owner or operator shall submit a revised control plan to the Executive Director as soon as practicable, but no later than 90 days after the date of the Executive Director's notification that approval of a registration has been revoked.
- (6) Denial or modification of a registration by the Executive Director may be appealed according to the provisions of §101.29(1)(2) of this title.
  - (7) The owner or operator desiring to utilize the RC in accordance with subsection (d) of

this section shall document this in the initial control plan submitted in accordance with §117.109 or §117.209 of this title (relating to Initial Control Plan Procedures). The change of a control plan to include a RC after April 1, 1994 shall require a revision to the initial control plan and resubmission of the plan for approval as soon as practicable. RCs may be utilized only after the Executive Director grants approval of the revised initial control plan.

- (8) The owner or operator desiring to utilize the RC in accordance with subsection (d) of this section shall document this in the final control plan submitted in accordance with §117.115 or §117.215 of this title (relating to Final Control Plan Procedures). The new emission limit for each unit as calculated in subsection (d) of this section shall be clearly listed and will be considered federally enforceable. RCs may be utilized only after the Executive Director grants approval of the final control plan.
- (9) After submission of the final control plan in accordance with §117.115 or §117.215 of this title, an owner or operator who wishes to transfer an RC to revise the basis for compliance with the emission specifications of this chapter shall submit a revised final control plan to the Executive Director in accordance with §117.117 or §117.217 of this title. The owner or operator shall not vary from the representations made in the final control plan without prior approval from the Executive Director.

Adopted 07/27/94 Effective 08/23/94